November, 1995 considering the shorter gestation period of liquid fuel based power projects as compared to thermal power projects and the need to have a quick capacity addition to avert a severe power crisis. Due to the spurt in international prices, naphtha is no longer considered a viable fuel for generation of electricity, also considering the difficulty in its handling. The State Governments are also now reluctant to encourage naphtha based power generation.

In order to accelerate the pace of hydro power development in the country, a Policy of Hydro Power Development was announced in August 1998. A favourable environment has been created to promote private sector investment in the field of hydro electric projects. The procedure for transfer of clearances have been streamlined and tariff rationalization have made such projects attractive. The Ranking Study recently carried out by the Central Electricity Authority (CEA) to create a shelf of feasible projects would facilitate the hydro developers to take up the implementation of potential sites in a phased manner in order of their ranking. CEA is also in the process of formulating a National Action Plan in consultation with the State Governments to harness the entire balance potential in the country.

Taking over of DPP

3291. SHRI SATISH PRADHAN: Will the Minister of POWER be pleased to state:

(a) whether it is a fact that the State Government of Maharashtra has requested the Union Government for taking over the entire Dabhol Power Project directly or through its PSUs so that the power generated by DPP is distributed to different States in the country including Maharashtra; and

(b) if so, Government's response thereto?

THE MINISTER OF STATE IN THE MINISTRY OF POWER (SHRIMATI JAYAWANTI MEHTA): (a) Yes, Sir.

(b) The request has not been agreed to.

Boost to hydro-power generation

3292. DR. KARAN SINGH: Will the Minister of POWER be pleased to state:

(a) whether a recent study of the Asian Regional Research Programme in Energy, Environment and Climate (ARRPEEC) has stressed the need for a major boost to the hydro power generation in the country;

(b) if so, whether any action plan has been drawn to adopt and promote